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SUBJECT: RUDD ESTABLISHES NEW NPT/DISARMAMENT COMMISSION

REF: A. CANBERRA 585 B. CANBERRA 587

Classified By: DCM Daniel A. Clune. Reasons: 1.4 (b),(d)

SUMMARY

11. (C) During a June 9 speech in Japan, Prime Minister Kevin Rudd announced the establishment of a new international commission to advance the goals of the Nuclear Nonproliferation Treaty (NPT). The new body -- the International Commission on Nuclear Non-Proliferation and Disarmament -- would study previous efforts aimed at elimination of nuclear weapons and report to an international conference of experts hosted by Australia in 2009 to develop recommendations ahead of the 2010 NPT Review Conference. Rudd's announcement follows by only a few days his rollout of another major aspirational goal: the creation of an EU-style Asia Pacific Community by 2010. As with the Asia Pacific union concept, Rudd apparently rushed the announcement of the new nonproliferation body, to be headed by former Australian foreign minister Gareth Evans, apparently with little internal consultation and no advance consultations with NPT member states, after failing to convince the Japanese to announce it as a joint initiative. An excerpt from his speech dealing with nonproliferation follows in para 10 below. End summary.

REVITALIZING THE NUCLEAR NONPROLIFERATION REGIME

12. (U) In a June 9 speech at Kyoto University, Prime Minister Rudd used the occasion of his visit to the Hiroshima peace memorial earlier in the day to announce that Australia would establish an International Commission on Nuclear Non-Proliferation and Disarmament to halt the continued fragmentation of the NPT and prevent the failure or disintegration of the 2010 Review Conference. Citing the development of nuclear threats in North Korea and Iran, and decrying the diminished focus on the core NPT goal of elimination of nuclear weapons, despite progress on reduction of stockpiles, Rudd said the international community needed to "exert every global effort to restore and defend the treaty." The Commission would develop an action plan and report to an Australian-hosted "international conference of experts" in 2009 ahead of the Review Conference. Rudd did not elaborate further on the international conference.

STRENGTHENED COMPLIANCE, FUEL CYCLE MANAGEMENT AND CTBT

13. (U) In making his announcement, Rudd cited the warning by former secretaries of state George Shultz and Henry Kissinger, former Secretary of Defense William J. Perry, and former Chairman of the Senate Armed Services Committee Sam

Nunn, contained in a January 15, 2008, Wall Street Journal article, that proliferation of nuclear weapons, materials and technology had brought the world to a "nuclear tipping-point." He highlighted three of the eight recommendations in the WSJ article for consideration by the new Commission, including:

- strengthening compliance with the NPT by requiring all NPT signatories to adopt IAEA-designed monitoring provisions (i.e., Additional Protocols);
- Q(i.e., Additional Protocols);
- developing an international system to manage the nuclear fuel cycle; and
- adopting a process to bring the Comprehensive Nuclear Test Ban Treaty (CTBT) into force.

14. (U) Rudd suggested the new Commission would review and carry forward the work of two similar bodies -- the Canberra Commission on the Elimination of Nuclear Weapons, a short-lived initiative of Australian Labor Party (ALP) Prime Minister Paul Keating in 1995 and the 1998 Tokyo Forum on Nuclear Non-Proliferation and Disarmament -- aimed at repairing the nonproliferation regime and promoting disarmament. Rudd named as "co-chair" of the Commission Gareth Evans, a former Foreign Minister who had overseen the Canberra Commission and who currently serves as President and CEO of the Brussels-based Crisis International Group.

ANOTHER RUDD INITIATIVE WITHOUT CONSULTATION?

15. (C) Like Rudd's June 4 announcement of his vision for an EU-style Asia Pacific Community by 2010 (ref A), PM Rudd's June 9 announcement caught many by surprise, including within his own government. Valerie Grey (protect), outgoing Director for Arms Control in the Arms Control and Counter-Proliferation Branch, who is responsible for NPT and IAEA matters in the Department of Foreign Affairs and Trade, told us flatly that no one in the Prime Minister's office had consulted with the Branch in advance of the remarks. Embassies of other P5 members in Canberra, including the British and Russians, confirmed their governments had not been consulted in advance. Tellingly, the PM's Senior Advisor for International Affairs, who first notified us by phone from Kyoto after the PM had delivered his speech, disclosed that Rudd had tried to convince the Japanese to jointly announce the initiative, apparently while he was in Japan. When he was unable to secure GOJ agreement, Rudd went ahead with the announcement because he didn't want to lose the "catalytic moment" of his visit to Hiroshima, where he had placed a wreath at the Peace Memorial.

MIXED REACTION

16. (SBU) Reaction to the commission has been mixed. Greg Sheridan, one of the more respected journalists, panned the concept and choice of chair in a trenchant piece in The Australian the following day entitled "Worthy Plan Stands to Break Zero Ground." Sheridan wrote that "A commission of worthies proposed in Japan by an Australian prime minister on his first official visit is not going to have the slightest effect on nuclear proliferation, much less disarmament...Any progress towards nonproliferation and disarmament has never emerged from a small nation gathering together a few retired diplomats and superannuated (politicians) to produce a wordy document stating the obvious, which is pretty much what the Canberra Commission did...Any document written by Evans is bound to be lengthy, well-informed, well researched, judicious, professional, comprehensive, pedantic and ineffective." He concluded, "Provided no one mistakes it for serious national security policy, Rudd's commission will do no harm, and equally it will do no good."

COMMENT

17. (C/NF) Along with other members of the diplomatic community here, we are struggling to understand why a careful operative like Rudd, with his solid bureaucratic and diplomatic credentials, continues to risk undermining support for his goals by failing to consult with stakeholders and

build support from within. Part of the explanation may be his overriding domestic political focus. The Prime Minister and his closest advisers appear not to have totally completed the transition from campaigning to governing and, at times, appear more focused on controlling the 24-hour news cycle than on the hard work of building support for and implementing new initiatives. In addition, in launching the initiatives, the Prime Minister has relied on his own small staff, which often operates independently from the rest of the bureaucracy, including the more generously-staffed Department of the Prime Minister and Cabinet.

¶8. (C/NF) The Prime Minister also seems determined to fulfill all of his election promises as quickly as possible, starting with signing the Kyoto Protocol on December 3, 2007, within hours after being sworn in as Prime Minister. During the lead-up to the November 2007 election, Rudd's foreign affairs spokesperson had told the Lowy Institute in March 2007 that a Rudd government would convene another "Canberra Commission" of international eminent persons to recommend steps to prevent proliferation, as well as to work towards treaties on fissile material cut-off levels and disarmament. In this sense, he may be more interested in ticking the boxes than in giving substance or follow-through to these undertakings.

¶9. (C/NF) But this does not adequately explain Rudd's puzzling failure to consult. It is certainly true that he has alienated his bureaucracy (Ref B), and that, combined with a relatively green team of staff and advisers with a party that has been out of office for almost 12 years, may have contributed to this failure. In any event, we are beginning to canvass senior officials and advisers and hope to shed more light on Rudd's foreign policy and decision-making process in the coming weeks. End comment.

EXCERPT FROM PM RUDD'S JUNE 9 SPEECH

¶10. (U) In the past decade, the world has not paid adequate attention to nuclear weapons. There have been nuclear developments that we have had to confront - like North Korea's nuclear program and the danger it poses to the region; as well as Iran's continued nuclear ambitions. And there has been some thinking about new ways to counter the threat of weapons proliferation. Australia and Japan were both founding partners in the Proliferation Security Initiative (PSI). And Australia and Japan cooperate closely on export controls in the Nuclear Suppliers Group (NSG). These help to support the cornerstone of the global effort to eliminate nuclear weapons - in particular the Nuclear Non-Proliferation Treaty (NPT). But there has not been the same focus on the danger of nuclear weapons that we saw at the height of the Cold War. In some ways that is understandable - nuclear weapon stockpiles have come down a long way since their peaks in the 1980s.

The two main nuclear powers, our shared ally the United States and Russia, have negotiated a series of treaties that have cut the number of nuclear weapons. And South Africa and Ukraine have shown that it is possible for countries that have nuclear weapons to eliminate them. We no longer live with the daily fear of nuclear war between two superpowers. But nuclear weapons remain. New states continue to seek to acquire them. Some states including in our own region are expanding their existing capacity. Hiroshima reminds us of the terrible power of these weapons. Hiroshima should remind us that we must be vigilant afresh to stop their continued proliferation. And we must be committed to the ultimate objective of a nuclear weapons free world. The cornerstone of the global nuclear disarmament efforts remains the Nuclear Non-Proliferation Treaty (NPT). It is a treaty that is grounded in the reality of the

existence of nuclear weapons, but with a firm goal of their eventual elimination. It is a treaty that, by any historical measure, has helped arrest the spread of nuclear weapons - particularly given the proliferation pressures that existed across states in the 1960s when the treaty was negotiated. But 40 years later the treaty is under great pressure. Some states have developed nuclear weapons outside the treaty's framework.

Some, like North Korea, have defied the international community and have stated that they have left the treaty altogether. Others like Iran defy the content of the treaty by continuing to defy the IAEA - the agency assigned to give the treaty force. There are two courses of action available to the community of nations: to allow the NPT to continue to Qto the community of nations: to allow the NPT to continue to fragment; or to exert every global effort to restore and defend the treaty.

Australia stands unambiguously for the treaty. I accept fully that we have a difficult task ahead of us. But I believe Japan and Australia working together can make a difference in the global debate on proliferation. We are uniquely qualified.

Japan remains the only state to have experienced the consequences of nuclear weapons. Japan today has a large nuclear power industry.

Australia has the largest known uranium reserves in the world. We can, therefore, understand the concerns that countries bring to this debate.

And we share a view of the importance of the NPT. Australia and Japan are also both recognised as being committed to non-proliferation, including through our strong support for the International Atomic Energy Agency. Each year, for more than a decade, Japan has put forward a UN resolution on nuclear disarmament. Each year, Australia is proud to be a co-sponsor of that resolution. We do more than just vote for it.

Alongside Japan we present it to the international community and jointly seek their support. Australia itself for the last quarter century has developed strong global credentials in arms control and disarmament - through our establishment of the Australia Group; our work in the United Nations on the Chemical Weapons Convention and as one of its original signatories; and our work on the Comprehensive Nuclear Test Ban Treaty. Australia and Japan have also both been at the forefront of global thinking on the long-term challenge of nuclear weapons. In the 1990s, Australia convened the Canberra Commission on the Elimination of Nuclear Weapons. Japan in the late 1990s established the Tokyo Forum for Nuclear Non-Proliferation and Disarmament. These two bodies produced reports that have become benchmarks in the international community's efforts to deal with nuclear weapons. I think it is time we looked anew at the questions they addressed and revisited some of the conclusions they reached.

The NPT Review Conference will be held in 2010. It is the five yearly meeting of parties to the treaty to assess progress against the treaty's aims and look at how we can strengthen its provisions. As former US Secretary of State Henry Kissinger said in 2007, nuclear non-proliferation is the most important issue facing the world today. So, before we get to the Review Conference, we need to do some serious thinking about how we support the treaty and how we move forward on our goals.

I announce today that Australia proposes to establish an International Commission on Nuclear Non-Proliferation and Disarmament, to be co-chaired by former Australian foreign minister Gareth Evans. The Commission will re-examine the Canberra Commission and the Tokyo Forum reports to see how

far we have come, how much work remains, and develop a possible plan of action for the future. The Commission will report to a major international conference of experts in late 2009 that will be sponsored by Australia.

I look forward to discussing with Japan their participation in the work of this commission. Australia and Japan have also agreed to establish a high-level dialogue on non-proliferation and disarmament to advance this critical international debate.

It is intended that the Commission and the subsequent conference will help pave the way for the NPT Review Conference in 2010. We cannot simply stand idly by and allow another Review Conference to achieve no progress - or worse to begin to disintegrate.

The treaty is too important.

The goal of nuclear non-proliferation is too important.

Even with these additional efforts, there is no guarantee of success.

But that should not deter us from exerting every diplomatic effort.

This is a view shared by people with unique experience in strategic policy.

In the United States, former Secretaries of State George Shultz and Henry Kissinger, former Defence Secretary William Perry, and former Chairman of the US Senate Armed Services Committee Sam Nunn said in an important article the Wall Street Journal in January:

"The accelerating spread of nuclear weapons, nuclear know-how and nuclear material has brought us to a nuclear tipping point. ...The steps we are taking now to address these

threats are not adequate to the danger."

Relevant to our deliberations here, this eminent group of Americans has suggested steps for the future.

They have said we should:

- strengthen the means of monitoring compliance with the NPT -- which could be achieved through requiring all NPT signatories to adopt monitoring provisions designed by the IAEA;

- develop an international system to manage the nuclear fuel cycle -- given the growing interest in nuclear energy; and

- adopt a process to bring the Comprehensive Nuclear Test Ban Treaty into force.

It is time for a new approach - of which the revitalisation of the NPT and the IAEA is a critical part.

End excerpt.

MCCALLUM